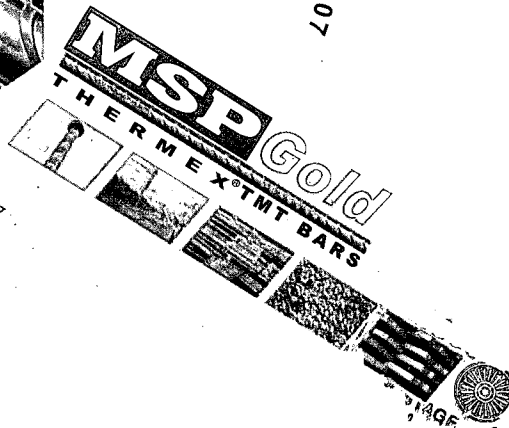


ANNUAL REPORT 2006 - 07 ANNUAL REPORT 2006-07

MSP STEEL & POWER LTD.



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MSP STEEL & POWER LIMITED

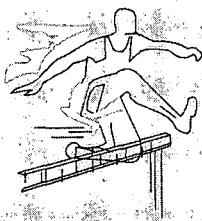
BOARD OF DIRECTORS

Chairman	: Mr. Puranmal Agrawal
Managing Director	: Mr. Suresh Kumar Agrawal
Non Executive Directors	: Mr. Manish Agrawal Mr. Saket Agrawal
Independent Directors	: Mr. Arvind Kumar Saraf Mr. Navneet Jagatramka Mr. Amit Mehta (Appointed w.e.f from 07.06.2007) Mr. Niranjana Dash Mr. Akshaya Kumar Singh (Resigned w.e.f from 07.06.2007)

OTHER CORPORATE INFORMATION

Company Secretary	: Miss Pinky Gupta. B.Com (H), ACS
Auditors	: M/s. Dwarka Ashok & Associates, Chartered Accountants
Bankers	: State Bank of India ING Vysya Bank Andhra Bank UCO Bank Indian Overseas Bank State Bank of Mysore
Registered office	: 1, Crooked Lane, Kolkata- 700 069 Ph. No.(033)22483795 Fax No. 22484138
Corporate office	: 16/S, Block-'A', New Alipore, Kolkata- 700 053 Ph No. 24570038/3940. Fax No. 24582239 E-mail:- investor.contact@mbspsteel.com
Share Registrars	: Karvy Computershare Pvt. Ltd. 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad- 500 034

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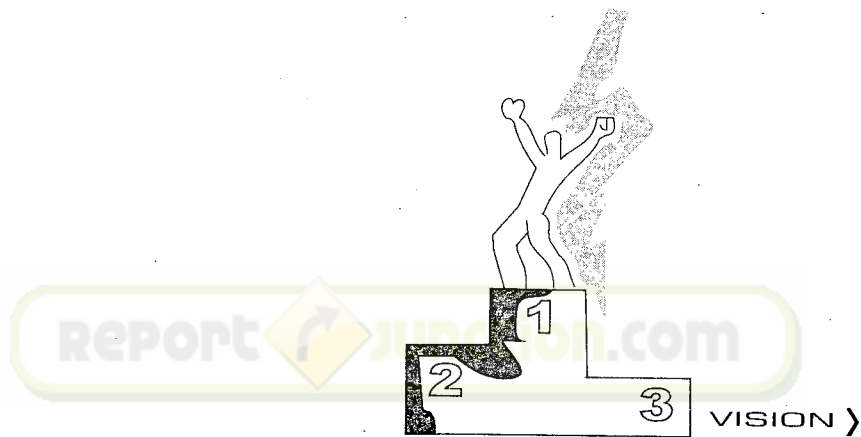


MISSION

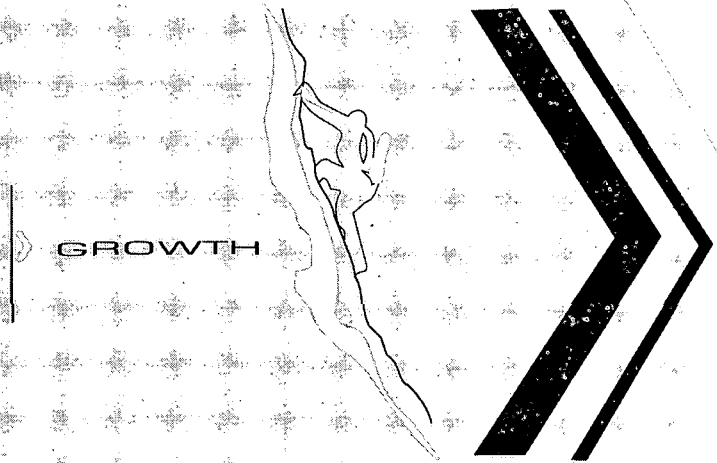
Focus on strengthening our core competencies, grow horizontally and vertically across the extended value chain, maximise shareholders value and generate wealth for the nation.



» BOND OF TRUST



To emerge as one of the leading producers of high quality and low cost steel in India, be an active partner in taking India forward as a self-sufficient steel industry in the global forum by manufacturing premium quality products from indigenous raw materials, and eventually contribute to the country's growing infrastructure.

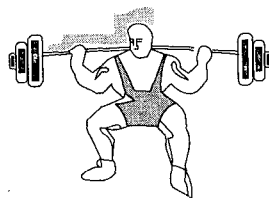


The Company is on a rapid growth path with projects expansions in the pipeline to ramp capacities as well as facilitate backward and forward integration; also to enhance top line and bottoms line sale at the same time.

- Backward integration projects include mining and pellet plants to consolidate its bottomline substantially.
- Forward integration includes MSP's entry into specialized steel that will be used in the Automotive sector and Structural steel that will cater to the needs of the growing infrastructure of the country.
- Substantial Capacity enhancement is on the anvil in the coming years to help increase the topline year on year.

» BOND OF TRUST

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STRENGTH »

- MSP has the license to use advanced Thermex Technology from Germany based Henningsdorfer Stahl Engineering GmbH, to produce superior quality TMT bars.
- Power generation from waste heat and washery & DRI waste products substantially reduces the cost of production and makes MSP extremely cost effective.
- Railway siding substantially reduces logistics problems and substantial savings in operation costs.
- To start Mining in future.

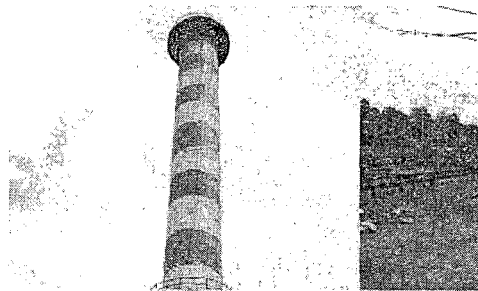
WE SPECIALISE IN >

Sponge Iron

MSP Sponge Iron Plant uses the highest grade of Iron Ore available along with the best quality coal. This ensures very high metallization of Sponge Iron.

MS Billets

MSP produces high grade MS Billets through Induction Furnace-Continuous Caster route. High grade Sponge Iron produced in -house is used to produce Steel that undergoes strict quality control and meets all quality parameters. MS Billets is used as raw material for our Re-Rolling Mill.





Construction Bars (TMT)

MSP uses 'Thermex' technology to produce high-grade quality TMT Bars that exhibits high yield point, surface hardness, toughness, ductility and weldability conforming to ISI standards. MSP is certified under ISO 9001: 2000 and are approved suppliers to major Infrastructure and Housing Projects in India. MSP has wide marketing network to market its product throughout India.

Captive Coal Washery

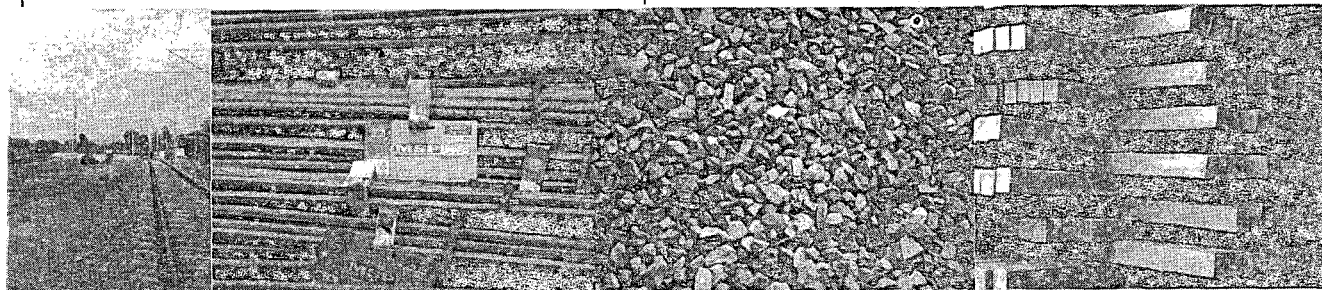
MSP Coal Washery enables it to improve the quality of the coal, thereby increasing productivity of the Sponge Iron Plant. Rejects and middlings are used in its Captive Power Plant.

Power

MSP generates 24 MW of Captive Power from waste heat, washery rejects and middlings to meet its power requirement, thereby adding value through low fuel cost that adds strength to its bottom line.

Railway Siding

MSP has its own Railway Siding of 2.4 Kms by which it substantially saves the logistic cost for outward and inward traffic.



MSP STEEL & POWER LIMITED**NOTICE**

Notice is hereby given that the Thirty-Eighth Annual General Meeting of the Members of MSP STEEL & POWER LTD. will be held on Wednesday 19th Day of September, 2007, at 10.30 A.M at AIKATAN, Eastern Zonal Cultural Centre, IA-290, Sector-III, Saltlake City, Kolkata-700097, to transact the following as:

Ordinary Business.

1. To receive, consider and adopt the Audited Accounts of the Company for the financial year ended March 31, 2007, along with the Reports of the Directors and Auditors thereon.
2. To re-appoint Mr. Manish Agrawal, who retires by rotation and being eligible, offers himself for re-election for re-appointment.
3. To re-appoint Mr. Saket Agrawal, who retires by rotation and being eligible, offers himself for re-election for re-appointment.
4. To re-appoint M/s.Dwarka Ashok & Associates, Chartered Accountant, who retires by rotation and being eligible, offers themselves for re-election for re-appointment as auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS

5. To consider and if thought fit to pass with or without modification the following resolution as Ordinary Resolution:

- a) "RESOLVED THAT pursuant to the provisions of Sections 198,269,309,310 and 311 and other applicable provisions, if any, of the Companies Act 1956(the Act) read with Schedule XIII thereto, approval of the Company be and is hereby accorded to the re-appointment of Mr. Puranmal Agrawal as Chairman cum whole time Director of the Company for a period of 5 years with effect from 07.06.2007 upon the terms and conditions as to the remuneration and otherwise as set out in the agreement(a draft of which was laid on the table) to be issued to Mr. Puranmal Agrawal"

"FURTHER RESOLVED THAT in the event of absence or inadequacy of profits in any financial year during the aforesaid period of 5 years, the Company will pay to Mr. Puranmal Agrawal remuneration by way of salary and perquisites not exceeding the ceiling laid down in Section II of Schedule XIII of the Companies Act 1956, or any modification or re-entactment thereof as minimum remuneration, subject to such approvals as may be required."

- b) "RESOLVED THAT pursuant to the provisions of Sections 198,269,309,310 and 311 and other applicable provisions, if any, of the Companies Act 1956(the Act) read with Schedule XIII thereto, approval of the Company be and is hereby accorded to the re-appointment of Mr. Suresh Kumar Agrawal as Managing Director of the Company for a period of 5 years with effect from 07.06.2007 upon the terms and conditions as to the remuneration and otherwise as set out in the agreement(a draft n was laid on the table) o be issued to Mr. Suresh Kumar Agrawal"

"FURTHER RESOLVED THAT in the event of absence or inadequacy of profits in any financial year during the aforesaid period of 5 years, the Company will pay to Mr. Suresh Kumar Agrawal remuneration by way of salary and perquisites not exceeding the ceiling laid down in Section II of Schedule XIII of the Companies Act 1956, or any modification or re-entactment thereof as minimum remuneration, subject to such approvals as may be required."

Registered Office :
1, Crooked Lane
Kolkata - 700 069

By Order at the Board
MSP STEEL & POWER LTD.

Dated : 07.06.2007

(Pinky Gupta)
Company Secretary